

WESTERN DISTRICT



**U. S. Steel
Mining Co., Inc.**

a Subsidiary of United States Steel Corporation

P O BOX 807
EAST CARBON, UTAH 84520
801 / 888-4431

June 15, 1981

Mr. Thomas R. Kendrick
Kendrick Brothers Construction Co., Inc.
5263 South 300 West
Murray, Utah 84107

Re: Water needs for Tar Sands Development at
Sunnyside, Utah

Dear Mr. Kendrick:

The U. S. Steel Mining Co., Inc.'s Western District has reviewed the water that might be made available to your project from sources within the Western District. These quantities and sources are as follows:

1. Columbia Mine

It is assumed that there is a quantity of water in the closed Columbia Mine. The quantity that may be available from this source cannot be determined at this time. This mine is about five miles from Sunnyside, Utah.

2. Geneva Mine (at Horse Canyon)

We own .5 cfs of underground water that is generated in the mining operation. It is estimated that some 90% of this water might be made available to your project. This mine is about nine miles from Sunnyside.

3. Horse Canyon Creek

We own .8 cfs of flow rights in Horse Canyon Creek. It is pointed out that the flow in the Horse Canyon Creek varies with the seasons. However, a substantial portion of this water, when available, might be diverted to your project.

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The remaining water rights owned by the United States Steel Corporation are located in the Grassy Trail watershed. These water rights are dedicated to a Joint Venture arrangement with Kaiser Steel Corporation that supplies culinary water to the Sunnyside and East Carbon cities. The availability of this water cannot be determined at this time.

The final determination as to the volume of water that might be made available to you will require a thorough investigation of the considerations of such a transfer. We are prepared to discuss the availability of water owned or controlled by the United States Steel Corporation when you have a firm 'Go' project.

Sincerely,

Paul E. Watson

Paul E. Watson
General Superintendent

cc: J. L. Schroder, Jr.